



**PAPIO-MISSOURI RIVER
NATURAL RESOURCES DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
September 14, 2017**

PLEDGE OF ALLEGIANCE

NOTIFICATION OF OPEN MEETINGS ACT POSTING AND MEETING PROCEDURE

MEETING CALLED TO ORDER: A regular meeting of the Papio-Missouri River Natural Resources District Board of Directors was held at the Dakota County Service Center, 1505 Broadway, Dakota City, NE on September 14, 2017. The meeting was called to order by Chairperson, David Klug at 7:00 p.m.

QUORUM CALL: The following Directors were present for the Quorum Call:

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|---------------|---------------|
| Larry Bradley | David Klug |
| Fred Conley | Patrick Leahy |
| Tim Fowler | Jim Thompson |
| Ted Japp | |

ADOPTION OF AGENDA:

- **MOTION NO. 1:** It was moved by Director Fowler and seconded by Director Conley (Fred) that the meeting agenda be adopted.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

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| Voting Yea | - | Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug |
| Voting Nay | - | None |
| Abstaining | - | None |
| Excused Absence | - | Conley (John), Gruenewald, Tesar, Wiese |
| Absent | - | Conley (John), Gruenewald, Tesar, Wiese |

ADOPTION OF CONSENT AGENDA:

- **MOTION NO. 2:** It was moved by Director Conley (Fred) and seconded by Director Leahy that the following resolution be adopted:

BE IT RESOLVED that the following resolutions on the consent agenda are hereby adopted.

Agenda Item 3.A.:

BE IT RESOLVED that the absences of the following Directors from the September 14, 2017, Board of Directors Meeting are excused: John Conley, Mark Gruenewald, Rich Tesar, and John Wiese.

Agenda Item 7. A. & B.:

BE IT RESOLVED that the August 10, 2017, Papio-Missouri River NRD Board meeting minutes, and the August 9, 2017, Dakota County Rural Water Advisory Board meeting minutes, are approved as printed.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea - Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug
Voting Nay - None
Abstaining - None
Excused Absence - Conley (John), Gruenewald, Tesar, Wiese
Absent - Conley (John), Gruenewald, Tesar, Wiese

PROOFS OF PUBLICATION OF MEETING NOTICE: Notice of the meeting was published in the Omaha World Herald on September 7, 2017. The District's July 14-August 10, 2017, expenditures were published in the Dakota County Star on August 17, 2017. The Chairperson ordered the Proofs of Publication recorded in the minutes of this meeting. (They are contained as part of the file copy of these minutes.)

AGENCY AND ASSOCIATION REPORTS:

A. Natural Resources Conservation Service Report: Neil Jensen's written report is posted to the website and included in the file copy of these meeting minutes.

B. Nebraska Association of Resources Districts: Director Jim Thompson noted that the NARD Annual Meeting will be held September 25-26, 2017 in Kearney, NE. Directors Tesar and Thompson; and staff members Laster, Petermann, Schumacher, Stauss, Tait, Winkler and Woodward will be representing the District.

C. Report on Dakota City Activities: Alyssa Silhacek, Dakota City Administrator updated the Board on the current events and activities going on in Dakota City. She closed by thanking the Board and staff for all the great work that they do.

D. Report on South Sioux City Activities: Lance Hedquist, South Sioux City Administrator updated the Board on the current events and activities going on in South Sioux City. He also thanked the Board and staff for the great work that they do.

E. Nebraska Natural Resources Commission Report: Jim Thompson, Nebraska Natural Resources Commission member for the Missouri River Basin Tributary, gave an update on the events of the Nebraska Natural Resources Commission.

PUBLIC HEARING – Adoption of Fiscal Year 2018 Budget:

Chairperson David Klug appointed General Manager Winkler as the Hearing Officer and he called the hearing to order at 7:09 p.m. Hearing Officer Winkler submitted the following exhibits for the record:

- Exhibit 1** Agenda
- Exhibit 2** Proof of Publication of Hearing Notice
 - ◆ Omaha World Herald – September 7, 2017 – Public Hearing Notice
 - ◆ Omaha World Herald – September 7, 2017 – Notice of Budget Hearing and Budget Summary

- Exhibit 3** Fact Sheet – FY 2018 Budget
- Exhibit 4** Pie Charts – FY 2018 Adopted Revenues and Expenditures
- Exhibit 5** FY 2018 Budget Worksheets
- Exhibit 6** Resolution to Set Property Tax Request for FY 2018 at \$23,726,440.65 with a tax levy of 0.037797/\$100

Hearing Officer Winkler briefed the audience on the purpose of the Public Hearing. The District has received Final Valuations from the county offices. The tax requirement is \$23,726,440.65 with a tax levy of 0.037797/100. He also presented the FY 2018 Budget Fact Sheet. Hearing Officer Winkler opened the floor to the public. There were no comments. Hearing Officer Winkler closed the Public Hearing at 7:11 p.m. and returned the floor to Chairperson David Klug.

PUBLIC HEARING – To Set Property Tax Levy for Fiscal Year 2018:

Chairperson David Klug appointed General Manager Winkler as the Hearing Officer and he called the hearing to order at 7:11 p.m. Hearing Officer Winkler submitted the following exhibits for the record:

- Exhibit 1** Agenda
- Exhibit 2** Proof of Publication of Hearing Notice
 - ◆ Omaha World Herald – September 7, 2017 – Public Hearing Notice
 - ◆ Omaha World Herald – September 7, 2017 – Notice of Budget Hearing and Budget Summary
- Exhibit 3** Fact Sheet - FY 2018 Budget
- Exhibit 4** Pie Charts – FY 2018 Adopted Revenues and Expenditures
- Exhibit 5** FY 2018 Budget Worksheets
- Exhibit 6** Resolution to Set Property Tax Request for FY 2018 at \$23,726,440.65 with a tax levy of 0.037797/\$100

Hearing Officer Winkler stated that the purpose of the Public Hearing was to set the tax levy for Fiscal Year 2018. The tax levy requirement is \$23,726,440.65 which is an overall increase of \$898,430 from last year, with a tax levy of 0.037797. Hearing Officer Winkler opened the floor to the public. There was no public comment. Hearing Officer Winkler closed the Public Hearing at 7:12 p.m. and returned the floor to Chairperson David Klug.

SUBCOMMITTEE REPORTS:

A. Personnel, Legislative and Public Affairs Subcommittee: Director Fred Conley reported that the PLPA Subcommittee met on September 12, 2017, and gave a brief recap of the meeting.

- **MOTION NO. 3:** It was moved by Director Fred Conley that the following resolution be adopted:

PLPA Recommendation #1: Resolution 2017-1 Natural Disaster Assistance Funding through NEMA, to be considered at the 2017 NARD Annual Conference: Be it resolved that the Papio-Missouri River NRD Voting Delegate and/or Alternate should be and are hereby authorized to vote to support resolution 2017-1 Natural Disaster Assistance Funding through NEMA at the 2017 NARD Annual Conference.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

- Voting Yea - Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug
- Voting Nay - None
- Abstaining - None

Excused Absence - Conley (John), Gruenewald, Tesar, Wiese
Absent - Conley (John), Gruenewald, Tesar, Wiese

•• **MOTION NO. 4:** It was moved by Director Fred Conley that the following resolution be adopted:

PLPA Recommendation #2: Resolution 2017-2 Surface Water Leasing for Groundwater Recharge, to be considered at the 2017 NARD Annual Conference: Be it resolved that the Papio-Missouri River NRD Voting Delegate and/or Alternate should be and are hereby authorized to vote to support resolution 2017-2 Surface Water Leasing for Groundwater Recharge at the 2017 NARD Annual Conference.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea - Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug
Voting Nay - None
Abstaining - None
Excused Absence - Conley (John), Gruenewald, Tesar, Wiese
Absent - Conley (John), Gruenewald, Tesar, Wiese

B. Programs, Projects and Operations Subcommittee: Director Jim Thompson reported that the PPO Subcommittee met on September 12, 2017, and gave a brief recap of the meeting.

•• **MOTION NO. 5:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #1: Phase VIII of Engineering Contract with Olsson Associates for Professional Services for Pigeon/Jones Site 12A: Recommendation that the General Manager be authorized to execute an amendment to increase the maximum, not-to-exceed amount of the professional services contract with Olsson Associates for the Pigeon Jones Site 15 Project, to \$2,443,975.00, subject to changes deemed necessary by General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea - Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug
Voting Nay - None
Abstaining - None
Excused Absence - Conley (John), Gruenewald, Tesar, Wiese
Absent - Conley (John), Gruenewald, Tesar, Wiese

•• **MOTION NO. 6:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #2: US Highway 34 Bike and Walking Trail Interlocal Agreement: Recommendation that the General Manager be authorized to execute the Interlocal Cooperation Agreement for the US Highway 34 Bike and Walking Trail, with the District's cost not-to-exceed \$200,000, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea - Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug
 Voting Nay - None
 Abstaining - None
 Excused Absence - Conley (John), Gruenewald, Tesar, Wiese
 Absent - Conley (John), Gruenewald, Tesar, Wiese

•• **MOTION NO. 7:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #3.: West Papio Trail (Giles to Millard Road) Construction Interlocal Agreement with Omaha, La Vista: Recommendation that the General Manager be authorized to execute the Interlocal Agreement with the City of Omaha and City of La Vista for construction of West Papio Trail Giles Road to Millard Expansion, with District cost not-to-exceed \$2,250,000, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Director Leahy had questions regarding the company that completed the design work, the project costs, and which Subcommittee would be reviewing the construction contract. He added that he would like to see contractors “think outside the box” in order to keep costs down. Director Thompson added that he had received a letter from Nebraska Bicycle Alliance supporting this project. Staff member Eric Williams and General Manger Winkler addressed all questions and concerns.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea - Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug
 Voting Nay - None
 Abstaining - None
 Excused Absence - Conley (John), Gruenewald, Tesar, Wiese
 Absent - Conley (John), Gruenewald, Tesar, Wiese

•• **MOTION NO. 8:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #4.a.: USACE Section 22 Streambed Degradation Study – Planning Assistance to States Agreement: Recommendation that the General Manager be authorized to execute the Planning Assistance to States Agreement with the Department of the Army, with the District cost for Phase 1 and Phase 2 of the Streambed Degradation Study not-to-exceed \$25,000, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea - Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug
 Voting Nay - None
 Abstaining - None
 Excused Absence - Conley (John), Gruenewald, Tesar, Wiese
 Absent - Conley (John), Gruenewald, Tesar, Wiese

•• **MOTION NO. 9:** It was moved by Director Jim Thompson that the following recommendation be adopted:

PPO Recommendation #4.b.: USACE Section 22 Streambed Degradation Study – Interlocal Agreement with City of Omaha: Recommendation that the General Manager be authorized to execute the Interlocal Agreement with the City of Omaha for the USACE Section 22 Streambed Degradation Study, subject to changes deemed necessary by the General Manager and approval as to form by District Legal Counsel.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

Voting Yea - Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug
 Voting Nay - None
 Abstaining - None
 Excused Absence - Conley (John), Gruenewald, Tesar, Wiese
 Absent - Conley (John), Gruenewald, Tesar, Wiese

C. Finance, Expenditures and Legal Subcommittee: Director Jim Thompson reported that the FEL Subcommittee met on September 12, 2017, and gave a brief recap of the meeting.

•• **MOTION NO. 10:** It was moved by Director Jim Thompson that the following recommendation be adopted:

FEL Recommendation #1: Adoption of the FY 2018 Budget and Set Property Tax Levy at 0.037797 for the FY 2018 Budget: Recommendation that the following resolution be adopted:

BE IT RESOLVED by the Board of Directors of the Papio-Missouri River Natural Resources District that the attached budget document incorporated herein by reference, showing Total Requirements of \$66,775,193 as follows:

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|----------------------------------|--------------|
| Operating Budget | \$66,725,193 |
| Uninsured Liability Sinking Fund | \$50,000 |

and Property Tax Requirement of \$23,726,440.65 be and is hereby adopted as the Fiscal Year 2018 budget of the Papio-Missouri River Natural Resources District.

WHEREAS, Nebraska Revised Statute § 77-1601.02 provides that the property tax request for the prior year shall be the property tax request for the current year for purposes of the levy set by the County Board of Equalization unless the Governing Body of the Papio-Missouri River NRD passes by a majority vote a resolution or ordinance setting the tax request at a different amount; and,

WHEREAS, a special public hearing was held on September 14, 2017, as required by law, to hear and consider comments concerning the property tax request; and,

WHEREAS, it is in the best interest of the Papio-Missouri River NRD that the property tax request for the current year be a different amount than the property tax request for the prior year.

NOW THEREFORE BE IT RESOLVED by the Board of Directors of the Papio-Missouri River Natural Resources District by a majority vote, resolved that:

1. The FY 2018 property tax request be set at \$23,726,440.65 with a tax levy of 0.037797/\$100.
2. And, that a copy of this resolution be certified and forwarded to the County Clerks for the Counties within the District prior to September 20, 2017

Director Leahy had questions regarding the impact to the District by lowering the tax levy by even a small amount. Director Japp stated that any decrease is a good one, which was concurred by Chairman Klug. General Manager Winkler addressed all questions and concerns.

Roll call vote was held on the motion. The motion passed on a vote of 7-yea.

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| Voting Yea | - | Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug |
| Voting Nay | - | None |
| Abstaining | - | None |
| Excused Absence | - | Conley (John), Gruenewald, Tesar, Wiese |
| Absent | - | Conley (John), Gruenewald, Tesar, Wiese |

TREASURER'S REPORT:

•• **MOTION NO. 11:** It was moved by Director Leahy and seconded by Director Bradley that the following resolution be adopted:

BE IT RESOLVED that the Treasurer is authorized to expend general funds to pay: (1) claims listed in the August, 2017, financial report; and, (2) any claims made prior to the next Board meeting for (a) earned salaries of District employees, (b) withholding taxes, (c) social security payments, (d) retirement program contributions, (e) utilities, (f) registration fees and expenses for upcoming meetings and conferences, (g) certified completed CAP and Special Project Area applications, (h) invoices which offer a credit or discount for payment made prior to the next Board meeting, (i) postage, and, (j) building and grounds contract expenses.

BE IT FURTHER RESOLVED that the Treasurer is authorized to pay, from the respective operating accounts of the Dakota County, Thurston County and Washington County Rural Water Supply System, the Elkhorn River Bank Stabilization Project, the Elkhorn Breakout Project, the Elk/Pigeon Creek Drainage Project, the Western Sarpy Drainage District, the Papillion Creek Watershed Partnership, and the Southern Sarpy Watershed Partnership project bills listed on the August, 2017, financial report, and future claims for project utilities.

BE IT FURTHER RESOLVED that the financial reports be affixed to and made a part of the minutes.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

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| Voting Yea | - | Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug |
| Voting Nay | - | None |
| Abstaining | - | None |
| Excused Absence | - | Conley (John), Gruenewald, Tesar, Wiese |
| Absent | - | Conley (John), Gruenewald, Tesar, Wiese |

LEGAL UPDATE: Chairman Klug stated there was nothing to report.

CHAIRPERSON'S REPORT – REVIEW AND RECOMMENDATION TO INDEMNIFY GENERAL MANAGER WINKLER AND DIRECTOR/TREASURER JOHN CONLEY FROM ALL CLAIMS AND EXPENSES RELATED TO SMALL CLAIMS COURT ACTION:

- **MOTION NO. 12:** It was moved by Chairman Klug and seconded by Director Bradley that the following resolution be adopted:

BE IT RESOLVED that the following resolution be adopted:

RESOLUTION

WHEREAS on or about August 15, 2017, a Claim was filed in the Small Claims Court of Washington County, Nebraska by Mr. Mark B. Gruenewald against Mr. John Winkler and Mr. John Conley; and

WHEREAS the basis stated for the Claim is that “the Defendants failed to pay reimbursement of expenses per state 2-3218;” and

WHEREAS a request to dismiss the Claim and instead pursue reimbursement of expenses pursuant to normal processes and procedures including compliance with applicable tax forms was disregarded; and

WHEREAS on or about September 6, 2017, the Claim was transferred to the regular docket of the County Court of Washington County; and

WHEREAS Policy 2.4 of the Papio-Missouri River Natural Resources District provides, “The District shall indemnify each person who was or is a party to any . . . pending . . . action . . . by reason of the fact that he or she is or was a director [officer, employee] of the District against expenses in excess of insurance coverage, including attorneys fees . . . reasonably incurred in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the District”; and

WHEREAS Policy 2.4 of the Papio-Missouri River Natural Resources District also provides, “Any indemnification under this policy shall be made by the District only as authorized in the specific case upon a determination that indemnification of the director [officer, employee] is proper in the circumstances because he or she has met the applicable standard of care”; and

BE IT RESOLVED that pursuant to Policy 2.4 of the Papio-Missouri River Natural Resources District, the Board hereby finds and determines Mr. John Conley and Mr. John Winkler acted in good faith and in a manner consistent with the best interests of the District in connection with all matters underlying the Claim filed by Mark B. Gruenewald; and

BE IT FURTHER RESOLVED the Board determines indemnification of Mr. John Conley and Mr. John Winkler for all expenses set forth in Policy 2.4 in connection with the Claim and any related litigation is proper under the circumstances and is hereby approved in accordance with the provisions set forth in Policy 2.4.

Roll call vote was held on motion. The motion carried on a vote of 7-yea.

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| Voting Yea | - | Bradley, Conley (Fred), Fowler, Japp, Leahy, Thompson, Klug |
| Voting Nay | - | None |
| Abstaining | - | None |
| Excused Absence | - | Conley (John), Gruenewald, Tesar, Wiese |
| Absent | - | Conley (John), Gruenewald, Tesar, Wiese |

The Chairperson concluded his report by thanking the audience and Dakota City for their warm hospitality in hosting the Board meeting.

GENERAL MANAGER'S REPORT: The General Manager reviewed his written report with the Board and noted that the report had been posted to the website. He thanked Vince and Dorothy Kramper for their

hospitality for hosting the dinner at their farm and also thanked Alyssa Silhacek, City Administrator for Dakota City and Lance Hedquist, City Administrator for the City of South Sioux for their continued partnership with the District. He concluded by thanking the northern staff for their support and accommodation of this meeting.

INFORMATIONAL ITEMS:

A. Future Meetings:

- | | |
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| September 25-26, 2017 | NARD Annual Conference, Kearney, NE |
| September 28, 2017 | Papillion Creek Watershed Partnership Meeting, 10:00 a.m., NRC |
| October 10, 2017 | P-MRNRD Subcommittee Meetings |
| October 12, 2017 | P-MRNRD Board Meeting |
| October 26, 2017 | Papillion Creek Watershed Partnership Meeting, 10:00 a.m., NRC |

B. Next Meeting – October 12, 2017 at the NRC

ADJOURNMENT: Being no further business, the Chairperson declared that the meeting was adjourned at 7:41 p.m.

NOTE: These minutes reflect the actions and votes taken at the September 14, 2017, Board of Directors Meeting of the Papio-Missouri River Natural Resources District and are not an official transcript of the meeting. The audio cast of this meeting can be found on our website at www.papionrd.org.

I, the undersigned, Secretary of the Papio-Missouri River Natural Resources District, hereby certify that the foregoing are true and correct minutes of a meeting of the Board of Directors of the District held on September 14, 2017, that all of the subjects included in the foregoing proceedings were contained in the agenda for the meeting, kept continually current and readily available for public inspection at the office of the District; that such subjects were contained in said agenda at least twenty-four hours prior to said meeting; that at least one copy of all reproducible material discussed at the meeting was available at the meeting for examination and copying by members of the public; that the minutes were in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; and, that all news media requesting notification of the meeting of said body were provided advance notification of the time and place of said meeting.

Richard Tesar
District Secretary